

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**MICHAEL CHANG, ANDY CHEN, QUANG HENDERSON, AND HITESH PATEL'S
NOTICE OF REMOVAL**

Michael Chang, Andy Chen, Quang Henderson, and Hitesh Patel (the "Doctors"), defendants in the above-captioned case, hereby file this *Notice of Removal* (the "**Notice**") pursuant to 28 U.S.C. § 1452, Federal Rule of Bankruptcy Procedure 9027 and Bankruptcy Local Rule 9027-

1.

1. The lawsuit being removed is Cause No. 2017-73050 pending in the 269th Judicial District Court for Harris County, Texas (the “**State Court**”) and styled *Infinity Emergency Management Group, LLC v. Neighbors Health System, Inc. et al.* (the “**Lawsuit**”). The Lawsuit is being removed to the Bankruptcy Court for the Southern District of Texas, Houston Division, through referral by the United States District Court for the Southern District of Texas, Houston Division pursuant to General Order 2012-6.

2. This Notice of Removal is filed pursuant to 28 U.S.C. §§ 1334, 1441, and 1452, Rule 9027 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), and Rules 9027-1, 9027-2 of the Southern District of Texas Bankruptcy Local Rules (the “Local Rules”).

3. On October 30, 2017, Plaintiff Infinity Emergency Management Group, LLC filed a the lawsuit, asserting, among other claims, breach of contract, money had and received, breach of fiduciary duty, and fraud, against Debtors Neighbors Health, LLC and Neighbors GP, LLC and the non-Debtor Doctor Defendants and other non-Debtor Defendants. All Defendants timely answered.

4. On April 26, 2018, Plaintiff filed its First Amended Petition. On June 8, 2018, Plaintiff filed its Second Amended Petition. The Second Amended Petition is the current live pleading.

5. All pleadings, process, orders, and other filings in the State Court Action are filed herewith in accordance with Bankruptcy Rule 9027(a) and Bankruptcy Local Rule 9027-1(b).

Timeliness of Removal

6. On July 12, 2018 (the “Petition Date”), the Debtors filed voluntary petitions for relief in the United States Bankruptcy Court for the Southern District of Texas (the “Court”).

7. The Notice of Removal is timely filed under Bankruptcy Rule 9027(a)(2)(A) because it has been filed within 90 days after the order for relief. No order terminating the stay has been

entered with respect to the State Court Action and no trustee has qualified in these chapter 11 cases so the time limits imposed by Bankruptcy Rule 9027(a)(2)(B) & (C) are not applicable here.

8. No previous removal of this case has been attempted or effected.

Venue

9. Venue of this removal is proper under 28 U.S.C. § 1441(a) because this Court is Bankruptcy Court of the United States District Court for the district and division encompassing the state court where the action is pending.

Jurisdiction

10. The State Court Action involves causes of action asserted by Plaintiff against Debtors Neighbors Health, LLC and Neighbors GP, LLC.

11. The Court has jurisdiction to consider the State Court Action under 28 U.S.C. §1334 as a civil proceeding related to the Debtors' chapter 11 cases. Removal of the State Court Action is thus appropriate under 28 U.S.C. §1452 as a "claim or cause of action in a civil action . . . to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title."

12. This is a non-core proceeding. The Doctors consent to the entry of final orders or judgment by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgment consistent with Article III of the United States Constitution.

The Parties

15. Plaintiff Infinity Emergency Management Group, LLC is a limited liability company organized and existing under Texas state law with offices in El Paso, Texas. Plaintiff's counsel is:

Simon W. Hendershot, III
trey@hcmhlaw.com
Christy L. Martin
cmartin@hcmhlaw.com
Benjamin L. Hisey

bhisey@hcmhlaw.com
Raymond L. Panneton
rpanneton@hcmhlaw.com
HENDERSHOT, CANNON, MARTIN & HISEY P.C.
1800 Bering Drive, Suite 600
Houston, Texas 77057

16. Defendants Neighbors Health System, Inc., Neighbors GP LLC, Neighbors Investment Group LLC, and Neighbors Health LLC are each Texas entities with their principle place of business in Harris County. Defendants Neighbors Health System, Inc., Neighbors GP LLC, Neighbors Investment Group LLC, Neighbors Health LLC have each been served and made an appearance in this case and their counsel is:

Clay Steely
Texas State Bar No. 09597500
PORTER HEDGES LLP
1000 Main Street, 36th Floor
Houston, Texas 77002
Telephone: 713-226-6648
Email: csteely@porterhedges.com

17. Defendant Neighbors Investment Group LLC is a Texas entity with its principle place of business in Harris County. Defendant Neighbors Investment Group LLC has been served and made an appearance in this case and their counsel is:

Staton M. Childers
Texas State Bar No. 00796348
ADAMS AND REESE LLP
1221 McKinney St. Ste 4400
Lyondellbasell Tower
Houston, Texas 77010
Telephone: 713-308-0109
Email: staton.childers@arlaw.com

18. Defendants Andy Chen, Hitesh Patel, Michael Chang, and Quang Henderson are each individuals who reside in Harris County. Defendants Andy Chen, Hitesh Patel, Michael

Chang, and Quang Henderson have each been served and made an appearance in this case and their counsel is:

James G. Munisteri
Texas State Bar No. 14667380
J. Michael Thomas
Texas State Bar No. 24066812
2021 McKinney Avenue, Suite 1600
Dallas, Texas 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
Email: jmunisteri@foley.com
jmthomas@foley.com

19. Defendants Paul Alleyne and Cyril Gillman are each individuals who reside in Harris County. Defendants Paul Alleyne and Cyril Gillman have each been served and made an appearance in this case and their counsel is:

Millard A. Johnson
Texas State Bar No. 10772500
JOHNSON DELUCA KURISKY & GOULD PC
1221 Lamar St., #1000
Houston, Texas 77010
Telephone: 713-652-2525
Email: mjohnson@jdkglaw.com

20. Defendant Dharmesh Patel is an individual who resides in Harris County. Defendant Dharmesh Patel has been served and made an appearance in this case and his counsel is:

Christina Minshew
Texas State Bar No. 24013170
MOYER LEWIS & PATTON
11767 Katy Fwy, Ste. 990
Houston, Texas 77079
Telephone: 832-327-1180

21. Defendant Setul Patel is an individual who resides in Harris County. Defendant Setul Patel has been served and made an appearance in this case and his counsel is:

Paul D. Flack
Texas State Bar No. 00786930

PRATT & FLACK LLP
4306 Yoakum Blvd., Suite 500
Houston, Texas 77006
Telephone: 713-705-3087
Email: pflack@prattflack.com

22. On July 12, 2018 (the “**Petition Date**”), Neighbors Legacy Holdings, Inc. (the “**Debtor**”) filed a voluntary petition for relief under chapter 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Proceeding**”). The Bankruptcy Proceeding is pending as Bankruptcy Petition Number 18-33836 before the Honorable Chief Judge Marvin Isgur. Neighbors Legacy Holdings, Inc. filed its Suggestion of Bankruptcy in state court on July 17, 2018, thereby staying the lawsuit.

Basis for Removal

23. Removal of the Lawsuit is proper under 28 U.S.C. § 1452(a), which states as follows:

A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit’s police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.

28 U.S.C. § 1452.

24. Pursuant to 28 U.S.C. § 1334(b) “a district court shall have original but not exclusive jurisdiction of all civil proceedings arising under title 11, or arising in or related to cases under title 11.” 28 U.S.C. § 1334(b). Because the Lawsuit is “related to” the Bankruptcy Proceeding, this Court has subject-matter jurisdiction.

25. Through the Lawsuit, Plaintiff is seeking, *inter alia*, a judgment against the Debtor and other Defendants that occurred prior to the Petition Date.

26. Prior to the Petition Date, Plaintiff claims that the Debtor and the other Defendants improperly used property of two separate Series owned, in part, by Plaintiff. Plaintiff claims that Debtor made intercompany advances to other Debtor entities and seeks to have such advances unwound.

27. Because the Lawsuit intimately involves claims that Plaintiff may have against the Debtor and its estate, the Lawsuit constitutes a core proceeding under 28 U.S.C. § 157(b)(2)(A), (B) and (O). The Lawsuit is a core proceeding, and the Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1334(b).

28. Further, pursuant to Federal Rule of Bankruptcy Procedure (the “**Bankruptcy Rules**”) 9027(a)(1), to the extent the Lawsuit may be deemed “non-core,” the Doctors consent to entry of final orders or judgment by the Court.

29. When a claim or cause of action is pending in a case at the time a case is filed under the Bankruptcy Code, Bankruptcy Rule 9027(a)(2) permits the filing of a notice of removal “within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under §362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.” *See Fed. R. Bankr. P. 9027(a)(2).* Debtor filed its case under the Code on July 12, 2018 and filed its suggestion of stay in the state court proceeding on July 17, 2018, and this Notice is, at a minimum, filed within ninety (90) days of the filing of the bankruptcy case, therefore, the Notice is timely.

30. Pursuant to Bankruptcy Rule 9027(a) and Bankruptcy Local Rule 9027-1, the Doctors have attached hereto as **Exhibit A** copies of all pleadings that have been filed in the Lawsuit.

DATED: September 19, 2018

Respectfully submitted,

FOLEY GARDERE
Foley & Lardner LLP

By: s/James G. Munisteri

James G. Munisteri (Attorney-in-Charge)
Texas State Bar No. 14667380
John P. Melko
Texas State Bar No. 13919600
J. Michael Thomas
Texas State Bar No. 24066812

1000 Louisiana Street, Suite 2000
Houston, Texas 77002
Telephone: (713) 276-5500
Facsimile: (713) 276-5555
Email: jmunisteri@foley.com
jmelko@foley.com
jmthomas@foley.com

**ATTORNEYS FOR MICHAEL CHANG,
ANDY CHEN, QUANG HENDERSON,
AND HITESH PATEL**

CERTIFICATE OF SERVICE

I hereby certify that, on September 19, 2018, the foregoing document was served via email to counsel listed below as follows:

Simon W. Hendershot, III
Email: trey@hcmhlaw.com
Christy L. Martin
Email: cmartin@hcmhlaw.com
Benjamin L. Hisey
Email: bhisey@hcmhlaw.com
Raymond L. Panneton
Email: rpanneton@hcmhlaw.com
HENDERSHOT, CANNON, MARTIN &
HISEY P.C.
1800 Bering Drive, Suite 600
Houston, Texas 77057

John F. Higgins IV
Texas State Bar No. 09597500
PORTER HEDGES LLP
1000 Main Street, 36th Floor
Houston, Texas 77002
Telephone: (713) 226-6648
Email: jhiggins@porterhedges.com

Christina Minshew
Texas State Bar No. 24013170
MOYER LEWIS & PATTON
11767 Katy Fwy, Ste. 990
Houston, Texas 77079
Telephone: (832) 327-1180

Staton M. Childers
Texas State Bar No. 00796348
ADAMS AND REESE LLP
1221 McKinney St. Ste 4400
Lyondellbasell Tower
Houston, Texas 77010
Telephone: 713-308-0109
Email: staton.childers@arlaw.com

Millard A. Johnson
Texas State Bar No. 10772500
JOHNSON DELUCA KURISKY &
GOULD PC
1221 Lamar St., #1000
Houston, Texas 77010
Telephone: (713) 652-2525
Email: mjohnson@jdkglaw.com

Paul D. Flack
Texas State Bar No. 00786930
PRATT & FLACK LLP
4306 Yoakum Blvd., Suite 500
Houston, Texas 77006
Telephone: (713) 705-3087
Email: pflack@prattflack.com

s/James G. Munisteri

James G. Munisteri